UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE

In Re: Chapter 11 § § W.R. GRACE & CO., et al., § **Jointly Administered** § Case No. 01-01139 (JKF) § Debtors.

§

FEE AUDITOR'S FINAL REPORT REGARDING FEE APPLICATION OF HAMILTON, RABINOVITZ & ALSCHULER, INC. FOR THE SEVENTH INTERIM PERIOD

This is the final report of Warren H. Smith & Associates, P.C. ("Smith"), acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Interim Fee Application of Hamilton, Rabinovitz & Alschuler, Inc. for the Seventh Interim Period (the "Application").

BACKGROUND

- 1. Hamilton, Rabinovitz & Alschuler, Inc. ("HRA") was retained as consultants to the Official Committee of Asbestos Property Damage Claimants. In the Application, HRA seeks approval of fees totaling \$13,950.00 and costs totaling \$188.56 for its services from October 1, 2002, through December 31, 2002. In addition, HRA seeks approval of fees totaling \$6,575.00 and costs totaling \$479.86 for a previously unfiled invoice covering services rendered during the month of February 2002.
- 2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended

Effective February 1, 2001, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330, Issued January 30, 1996, (the "Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

3. We have no objections to the Application.

CONCLUSION

4. Thus, we recommend approval of fees totaling \$13,950.00 and costs totaling \$188.56 for HRA's services from October 1, 2002, through December 31, 2002.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

Warren H. Smith

Texas State Bar No. 18757050

Republic Center 325 N. St. Paul, Suite 4080 Dallas, Texas 75201 214-698-3868 214-722-0081 (fax)

whsmith@whsmithlaw.com

FEE AUDITOR

Case 01-01139-AMC Doc 3621 Filed 04/07/03 Page 3 of 5

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served First Class United States mail to the attached service list on this 7th day of April, 2003.

SERVICE LIST

Notice Parties

The Applicant

Paul J. Silvern Hamilton, Rabinovitz & Alschuler, Inc. 6033 West Century Blvd., Suite 890 Los Angeles, California 90045

The Debtors

David B. Siegel, Esq. Sr. V.P. and Gen. Counsel W.R. Grace & Co. 7500 Grace Drive Columbia, MD 21044

Counsel for the Debtors

James H.M. Sprayregen, Esq. Kirkland & Ellis 200 East Randolph Drive Chicago, IL 60601

Laura Davis Jones, Esq. Pachulski, Stang, Ziehl, Young & Jones, P.C. 919 North Market Street, Suite 1600 P.O. Box 8705 Wilmington, DE 19899-8705

Counsel for the Official Committee of Unsecured Creditors

Lewis Kruger, Esq Stroock & Stroock & Lavan 180 Maiden Lane New York, NY 10038-4982

Michael R. Lastowski, Esq. Duane Morris & Heckscher 1100 N. Market Street, Suite 1200 Wilmington, De 19801-1246

FEE AUDITOR'S INITIAL REPORT - Page 4

wrg FR Hamilton 7int 10-12.02.wpd

Counsel to the Official Committee of Property Damage Claimants

Scott L. Baena, Esq Bilzin, Sumberg, Dunn, Baena, Price & Axelrod First Union Financial Center 200 South Biscayne Boulevard, Suite 2500 Miami, FL 33131

Michael B. Joseph, Esq. Ferry & Joseph, P.A. 824 Market Street, Suite 904 P.O. Box 1351 Wilmington, DE 19899

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselbuch, Esq. Caplin & Drysdale 399 Park Avenue, 36th Floor New York, NY 10022

Marla R. Eskin Campbell & Levine, LLC Suite 300 800 N. King Street Wilmington, DE 19801

Official Committee of Equity Holders

Thomas M. Mayer, Esq. Kramer Levin Naftalis & Frankel 919 Third Avenue New York, NY 10022 Teresa K.D. Currier, Esq. Klett Rooney Lieber & Schorling 1000 West Street, Suite 1410 Wilmington, DE 19801

United States Trustee

Office of the United States Trustee Frank J. Perch, Esq. 844 King Street, Suite 2311 Wilmington, DE 19801